

2011 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB40)

Received: **06/15/2011**

Received By: **emueller**

Wanted: **As time permits**

Companion to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Loppnow**

May Contact:

Drafter: **emueller**

Subject: **Local Gov't - misc**

Addl. Drafters:

Extra Copies: **MES**

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

LFB:.....Loppnow -

Topic:

Changes to conduit bond authority

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/1	emueller 06/15/2011	nnatzke 06/15/2011	mduchek 06/15/2011	_____	ggodwin 06/15/2011		

FE Sent For:

<END>

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1?	emueller	/1 nwn					
/1	EvM	6/15	6/15				
	6/15/11						

FE Sent For:

<END>

p658, replace
lines 5 to 13.

issue

in any state or territory
of the United States

(11) Limitations.

(a) A commission may not ~~authorize~~ bonds to finance a capital improvement project unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project. A commission may not ~~authorize~~ bonds to finance a capital improvement project in this state unless all of the political subdivisions within whose boundaries the project is to be located has approved the financing of the project.

issue

(b) This section provides a complete alternative method, to all other methods provided by law, to exercise the powers authorized in this section, including the issuance of bonds, the entering into of contracts related to those bonds, and the financing or refinancing of projects.

(c) Any action brought to challenge the validity of the ~~proposed~~ issuance of a bond under this section, or the enforceability of a contract entered into under this section, must be commenced in circuit court within 30 days of the commission adopting a resolution authorizing the issuance of the bond or the execution of the contract.

(d) Bonds issued under this section shall not be invalid for any irregularity or defect in the proceedings for their sale or issuance. The bonds shall contain a statement that they have been authorized and issued pursuant to the laws of this state. The statement shall be conclusive evidence of the validity of the bonds.

(e)

1. Before issuing bonds on any project, as that term is used in s. 231.01 (7), in this state, a commission must receive written approval from the Wisconsin Health and Educational Facilities Authority.

2. Before issuing bonds on any economic development project, as that term is used in s. 234.01 (4n), in this state, or on any housing project, as defined in s. 234.01 (7), in this state, a commission must receive written approval from the Wisconsin Housing and Economic Development Authority.

(12) State Pledge. The state pledges to and agrees with the bondholders, and persons that enter into contracts with a commission under this section, that the state will not limit, impair, or alter the rights and powers vested in a commission by this section, including the rights and powers under sub. (4), before the commission has met and discharged the bonds, and any interest due on the bonds, and has fully performed its contracts, unless adequate provision is made by law for the protection of the bondholders or those entering into contracts with a commission. The commission may include this pledge in a contract with bondholders.

History: 2009 a. 205.

An approval under this paragraph may be made by the governing body or by the highest ranking executive or administrator of the political subdivision, except if the political subdivision is a 1st class city or a county in which a 1st class city is located, in which case an approval may be made by the governing body.

DRAFTING INSTRUCTIONS

66.0304 (11) (a), (c) and (e) of the statute are amended to read:

(a) A commission may not authorize issue bonds to finance a capital improvement project in any state or territory of the United States unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project. A commission may not authorize issue bonds to finance a capital improvement project in this state unless all of the political subdivisions within whose boundaries the project is to be located has approved the financing of the project. Approvals required by this sub. 11 (a) may be by the governing body or, except for first class cities in this state or counties with such a first class city within its boundaries, by the highest ranking executive or administrator of the political subdivision.

(c) Any action brought to challenge the validity of the ~~proposed~~ issuance of a bond under this section, or the enforceability of a contract entered into under this section, must be commenced in circuit court within 30 days of the commission adopting a resolution authorizing the issuance of the bond or the execution of the contract.

~~(e) 1. Before issuing bonds on any project, as that term is used in s. 231.01 (7), in this state, a commission must receive written approval from the Wisconsin Health and Educational Facilities Authority.~~

1. 2. Before issuing bonds on any economic development project, as that term is used in s. 234.01 (4n), in this state, or on any housing project, as defined in s. 234.01 (7), in this state, a commission must receive written approval from the Wisconsin Housing and Economic Development Authority.

MOTION #518

h. Modify the current requirement that a political subdivision within whose boundaries the project is to be located has approved the financing, to specify the approval may be by the governing body or, except in first class cities in this state or counties with such a first class city within its boundaries, by the highest ranking executive or administrator of the political subdivision.

MOTION #149

Motion: #149

Move to delete the current law requirement for WHEFA approval before the Public Finance Authority can finance any WHEFA type of project located in Wisconsin. Delete the provisions of the bill that would provide an exclusion from state income taxes for interest income received on bonds issued by WHEFA, provided the bonds are issued to a person who is eligible to receive state tax exempt bonds for the project from another issuer. Adopt the Governor's recommendation relating to WHEFA financing for out-of-state projects.

ASSEMBLY SUBSTITUTE AMENDMENT 1

PAGE 6 OF 6

*In any state
or territory of
the United States*

issue

4 SECTION 1720p. 66.0304 (11) (a) of the statutes is amended to read:
5 66.0304 (11) (a) A commission may not ~~authorize~~ bonds to finance a capital
6 improvement project unless a political subdivision within whose boundaries the
7 project is to be located has approved the financing of the project. A commission may
8 not ~~authorize~~ bonds to finance a capital improvement project in this state unless all
9 of the political subdivisions within whose boundaries the project is to be located has
10 approved the financing of the project. An approval under this paragraph may be
11 made by the governing body of the political subdivision or, if the political subdivision
12 is a 1st class city or a county in which a 1st class city is located, by the highest ranking
13 executive or administrator of the political subdivision.

14 SECTION 1720q. 66.0304 (11) (e) 1. of the statutes is repealed. ✓

15 SECTION 1720s. 66.0304 (11) (e) 2. of the statutes is renumbered 66.0304 (11) ✓

16 (e).

(C) is missing

*opposite result
of drafting
instructions*



State of Wisconsin
2011 - 2012 LEGISLATURE

Now



LRBb1355/1

EVM: twn

RMR

LFB:.....Loppnow - Changes to conduit bond authority

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2011 ASSEMBLY BILL 40

6/15/11

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 658, line 5: delete lines 5 to 13 and substitute:

3 "66.0304 (11) (a) A commission may not ~~authorize~~ [✓] issue bonds to finance a
4 capital improvement project in any state or territory of the United States [✓] unless a
5 political subdivision within whose boundaries the project is to be located has
6 approved the financing of the project. A commission may not ~~authorize~~ [✓] issue bonds
7 to finance a capital improvement project in this state unless all of the political
8 subdivisions within whose boundaries the project is to be located has approved the
9 financing of the project. An approval under this paragraph [✓] may be made by the
10 governing body of the political subdivision or, except for a 1st class city or a county

1 in which a 1st class city is located, by the highest ranking executive or administrator
2 of the political subdivision.✓

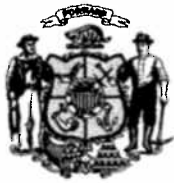
3 History: 2009 a. 205.

3 **SECTION 1720pm.**✓ 66.0304 (11) (c) of the statutes is amended to read:

4 66.0304 (11) (c) Any action brought to challenge the validity of the ~~proposed~~
5 issuance of a bond under this section, or the enforceability of a contract entered into
6 under this section, must be commenced in circuit court within 30 days of the
7 commission adopting a resolution authorizing the issuance of the bond or the
8 execution of the contract."✓

9 History: 2009 a. 205.

(END)



State of Wisconsin
2011 - 2012 LEGISLATURE



LRBb1355/1
EVM:nwn:md

LFB:.....Loppnow – Changes to conduit bond authority

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION
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TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
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5 political subdivision within whose boundaries the project is to be located has
6 approved the financing of the project. A commission may not ~~authorize~~ issue bonds
7 to finance a capital improvement project in this state unless all of the political
8 subdivisions within whose boundaries the project is to be located has approved the
9 financing of the project. An approval under this paragraph may be made by the
10 governing body of the political subdivision or, except for a 1st class city or a county

1 in which a 1st class city is located, by the highest ranking executive or administrator
2 of the political subdivision.

3 **SECTION 1720pm.** 66.0304 (11) (c) of the statutes is amended to read:

4 66.0304 (11) (c) Any action brought to challenge the validity of the proposed
5 issuance of a bond under this section, or the enforceability of a contract entered into
6 under this section, must be commenced in circuit court within 30 days of the
7 commission adopting a resolution authorizing the issuance of the bond or the
8 execution of the contract.”.

9 (END)